

**CALENDAR ITEM
C43**

A 5, 31
S 14

12/17/14
PRC 8863.1
D. Oetzel

REVISION OF RENT

LESSEES:

Gill Ranch Storage, LLC
220 NW Second Ave.
Portland, Oregon 97209

Pacific Gas and Electric Company
245 Market Street, N10A
San Francisco, CA 94105

LAND TYPE AND LOCATION:

Sovereign lands in the San Joaquin River and Fresno Slough, near the town of Mendota, Madera and Fresno Counties.

AUTHORIZED USE:

Construction, use, operation and maintenance of a 30-inch diameter steel natural gas pipeline, as shown on the attached Exhibit A.

LEASE TERM:

20 years, beginning February 1, 2010.

CONSIDERATION:

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent under this lease and recommends that rent be revised from \$275 per year to \$1,789 per year, effective February 1, 2015.

OTHER PERTINENT INFORMATION:

1. Lessee has the right to utilize the upland adjacent to the Lease Premises.
2. On February 1, 2010, the Commission authorized a 20-year General Lease – Right-of-Way Use to Gill Ranch Storage, LLC. On December 10, 2010, the Commission authorized the assignment of a 25% undivided

CALENDAR ITEM NO. **C43** (CONT'D)

interest in the lease from Gill Ranch Storage LLC to Pacific Gas and Electric Company. The lease will expire on January 31, 2030.

3. Staff conducted the rent review called for in the lease and recommends the rent be increased.
4. Staff recommends that the Commission find that the subject revision of rent does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060, subdivision (c)(3), and 15378.

EXHIBIT:

- A. Site And Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the subject revision of rent is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

AUTHORIZATION:

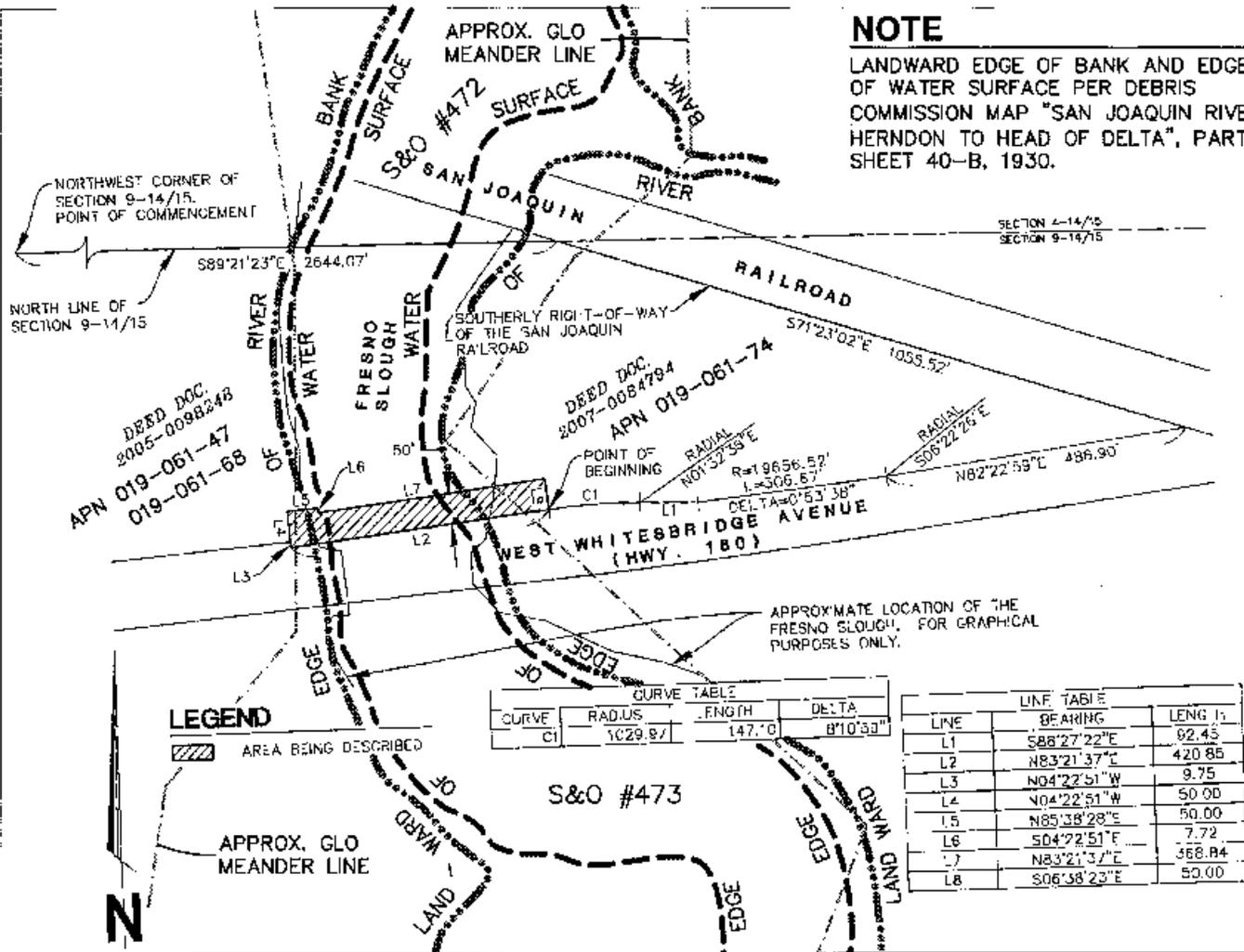
Approve the revision of rent for Lease No. PRC 8863.1 from \$275 per year to \$1,789 per year, effective February 1, 2015.

NO SCALE

SHEET 1 of 2

NOTE

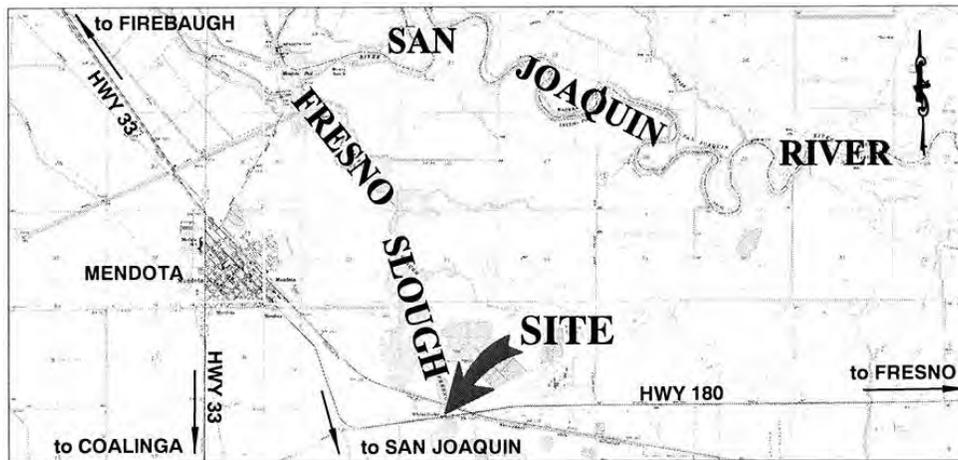
LANDWARD EDGE OF BANK AND EDGE OF WATER SURFACE PER DEBRIS COMMISSION MAP "SAN JOAQUIN RIVER, HERNDON TO HEAD OF DELTA", PART I, SHEET 40-B, 1930.



GILL RANCH STORAGE LLC, PIPELINE CROSSING

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

PRC 8863.1
 GILL RANCH
 STORAGE LLC
 GENERAL LEASE -
 RIGHT-OF-WAY USE
 FRESNO COUNTY



This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

NO SCALE

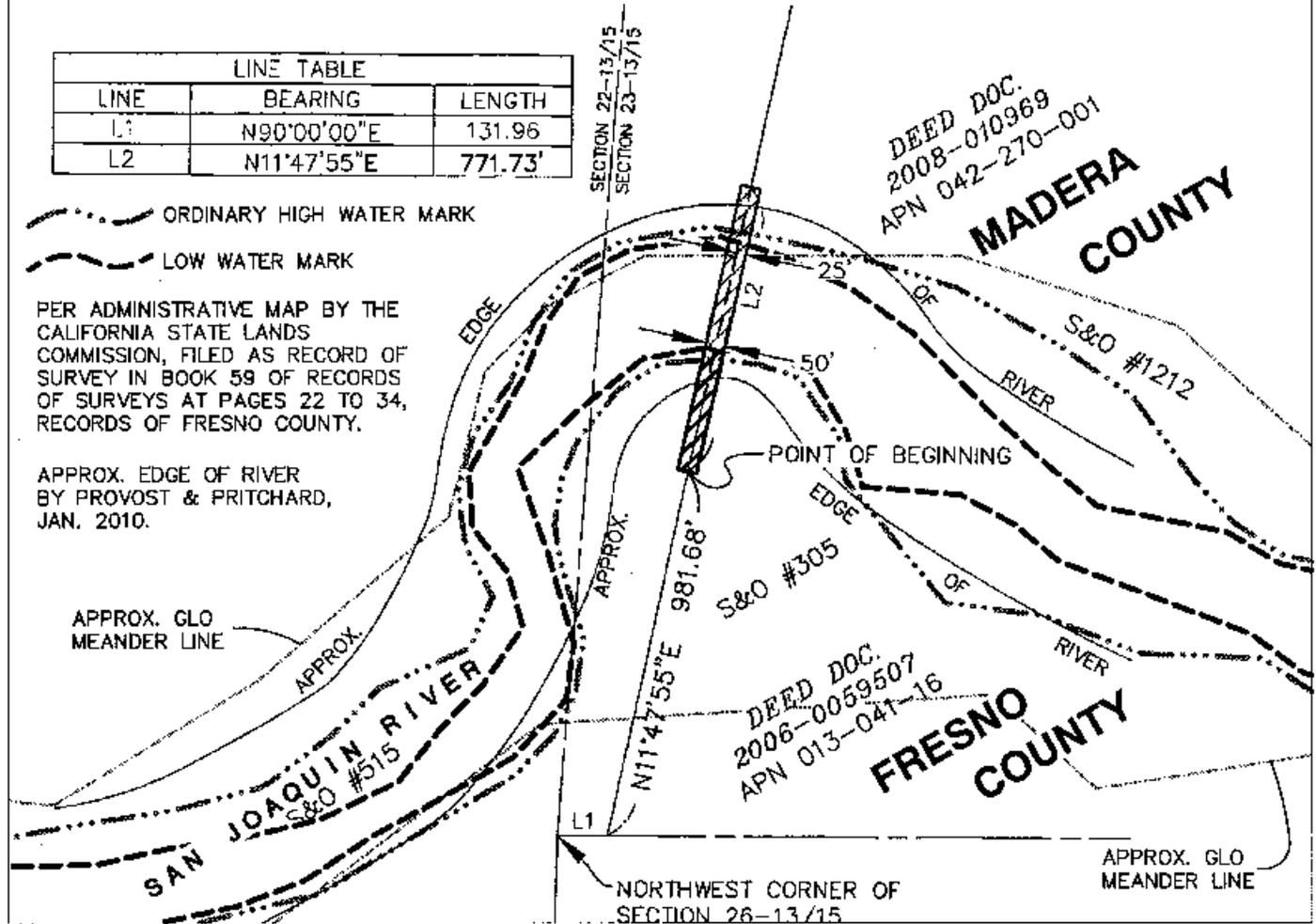
SHEET 2 of 2

LINE TABLE		
LINE	BEARING	LENGTH
L1	N90°00'00"E	131.96
L2	N11°47'55"E	771.73'

--- ORDINARY HIGH WATER MARK
 - - - LOW WATER MARK

PER ADMINISTRATIVE MAP BY THE CALIFORNIA STATE LANDS COMMISSION, FILED AS RECORD OF SURVEY IN BOOK 59 OF RECORDS OF SURVEYS AT PAGES 22 TO 34, RECORDS OF FRESNO COUNTY.

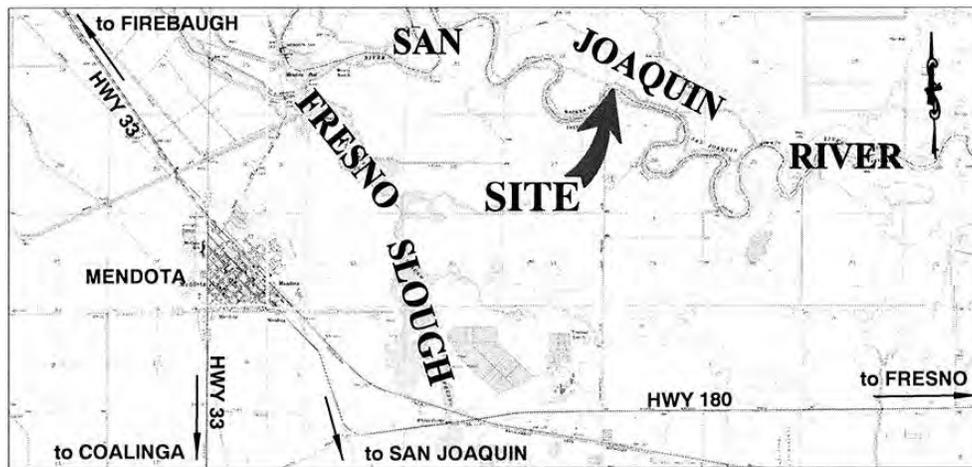
APPROX. EDGE OF RIVER BY PROVOST & PRITCHARD, JAN. 2010.



GILL RANCH STORAGE LLC, PIPELINE CROSSING

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

PRC 8863.1
 GILL RANCH STORAGE LLC
 GENERAL LEASE -
 RIGHT-OF-WAY USE
 FRESNO & MADERA
 COUNTIES



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